

**RESOLUTION 2004-02**

**A RESOLUTION SUPPORTING A STATEWIDE BALLOT INITIATIVE TO REQUIRE VOTER APPROVAL BEFORE STATE GOVERNMENT MAY TAKE LOCAL TAX FUNDS**

**WHEREAS**, state government currently seizes over \$400 million in special district property tax funds (ERAF) statewide, seriously reducing resources available for local public services such as parks and recreation, police and fire protection, water and wastewater, library and many others;

**WHEREAS**, in adopting the state budget this year the Legislature and Governor appropriated local revenue streams such as the Vehicle License Fee (VLF), sales taxes and property taxes that are needed to finance critical local services such as public safety, parks, street maintenance, housing and economic development; and

**WHEREAS**, the state budget also relies on a deficit bond financing program that is predicated on a local property and sales tax swap that leaves city services vulnerable to future losses if the state's economic condition fails to improve; and

**WHEREAS**, the adopted budget assumes the state will continue to face an ongoing structural budget deficit of at least \$8 billion, putting local government financial resources at risk in future years; and

**WHEREAS**, it is abundantly clear that state will continue to use local tax funds to balance the state budget unless the voters limit the power of the legislature and governor to do so; and

**WHEREAS**, the voters of California are the best judges of whether local tax funds should be diverted, confiscated, shifted or otherwise taken by the legislature to finance an ever expanding state government; and

**WHEREAS**, at the California Special Districts Association (CSDA) annual membership meeting held on September 16, 2003 voted to support a statewide ballot initiative to empower the voters to limit the ability of state government to confiscate local tax funds to fund state government; and

**WHEREAS**, CSDA has requested that special districts offer support for a November 2004 ballot initiative that will allow voters to decide whether state government may appropriate local tax funds to fund state government operations and responsibilities.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE VOLCANO COMMUNITY SERVICES DISTRICT** that the District hereby expresses its strong support for a statewide ballot initiative to allow voters to decide whether local tax funds may be taken, confiscated, shifted, diverted or otherwise used to fund state government operations and responsibilities; and

**RESOLVED FURTHER**, that the Board of Directors and staff provide such educational materials on the possible impacts of such an initiative as may be lawfully provided by the city's representatives; and

**RESOLVED FURTHER**, that the constituents of the district are encouraged to become well informed on the opportunities available to them through such an initiative to safeguard the critical local services on which they rely; and

**RESOLVED FURTHER**, that the General Manager (or Board Secretary) is hereby directed to send a copy to the Executive Director of the California Special Districts Association.

**ADOPTED** this 5th day of April, 2004.

AYES: 3


NOES: 0

ABSENT: 0

ABSTAINED: 0

DATED: 4/5/04

*Meg Cottstein, chair*



Sharon Owens  
for the Volcano Community  
Service District